

CLERK: Mr. President, LB 343 was introduced by Senators DeCamp and Remmers. (Read title.) The bill was read on January 17, referred to the Banking Committee for hearing. The bill was advanced to General File, Mr. President. There are Banking, Commerce and Insurance committee amendments pending.

SPEAKER NICHOL: Senator DeCamp.

SENATOR DeCAMP: Mr. President and members, by this time probably every member even today has received many phone calls from bankers, from grain elevator dealers, from farmers and others saying vote for 343 with such and such an amendment or against 117 or for 117 and against 343. You've heard mentioned the Remmers amendment and you've heard mentioned the DeCamp amendment, so on and so forth. This is truly a complex issue and for sure a highly volatile one and one which hopefully can be resolved and one which could affect very dramatically the financial future of the State of Nebraska from the standpoint of the money that is provided for agriculture, the loans provided to finance agriculture. But let me reduce the entire controversy, the confusion, everything down if I can to three little words. Three little words are, security interest holder versus, two words, financial institutions. That is the battleground for the entire thing. So it is my suggestion that I would give a brief explanation on what the controversy is, that we would adopt the various amendments and then reach the point where we resolve one way or another which we go with, three little words or two little words because that is what it is all about. If those words cannot be resolved there is a very clear possibility that everybody will be a loser and I mean that in all sincerity. I'm not sure that either side can win if you can't work out a settlement. Here is the controversy. Agricultural loans at the present time in Nebraska use a particular system that works about like this. Farmer Jones goes to Senator Clark's bank and says, Senator Clark, I need to plant my crops. The banker says, okay, Farmer Jones, we're going to loan you \$100,000 to plant your crops but listen, Farmer Jones, right now all you are going to do with that \$100,000 is buy fertilizer, fuels, seed corn, all these other things and you are going to use that up. Now in return for my giving you this money I want to make sure I get my money back so I am going to take a security interest in the crop you produce, the corn or whatever. I will take this security interest you give me and I'm going down to the local courthouse and I'm going to record that I have an interest, I, the banker, have an interest in Farmer Jones' crops. And the rule in Nebraska then is, if Farmer Jones raises that crop and he goes to